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COUNTER-ESPIONAGE ACTIVITIES IN THE IBERIAN PENINSULA

I. Scope of Activities:

As indicated in Tab B, OSS's C.E. activities in the Iberian Peninsula as well as all other OSS activities are under the direct control and supervision of H. Gregory Thomas, OSS Chief of Mission.

A. Spain: The scope of C.E. activities now being conducted in Spain is limited to activities in counterespionage which may be carried on by S.I. men in that area. The new counter-espionage branch of OSC (X-2) as such has one representative in Spain He is a man who has had many years experience in Spain and on the Continent His principal mission is to use contacts for discovering the operations of enemy espionage. At the same time he will report positive intelligence received through his legitimate activities. He has been in Spain only about a month and his identity is known only to the OSS representative at Madrid. The Branch also has information and reports conaccess to __ cerning enemy espionage activities in Spain.

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Reports of counter-espionage character prepared by S.I. agents in Spain are furnished to Algiers, Washington and London.

B. Portugal: C.E. activities in Portugal have been built up over a period of the last year by representatives of the S.I. branch. A large network of subagents and informers is functioning, and is making an important contribution. At the moment, the representative who was formerly handling the C.E. work in Lisbon has been removed and his assistant is handling the work temporarily. Arrangements have been made for the appointment of a trained representative to take the C.E. post in Lisbon. He is well known to Minister Fish, the State Department and ONI as a well-qualified agent. It is contemplated to appoint him as Assistant to the American Consul at Lisbon, managing passport control and security matters. Trained assistants are being prepared for him. He will work under the OSS Chief of Mission and in close cooperation with the Legation, the Military and Naval attaches as well as with the British C.E. rep-



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resentative. In addition, OSS C.E. representatives in London maintain close liaison with the British.

II. Internal Control of C.E. Activities:

C.E. activities in Spain and Portugal are internally controlled by the OSS Chief of Mission, as in the case of all other OSS activities.

III. External Control of C. E. Activities:

- (a) The control and direction of C.E. activities in this area are presently exercised direct from OSC headquarters in Washington. However, it is contemplated that in the near future such controls will be effected through OSC, London, where the continental base of its C.E. operations is being established.
- (b) At the present time no direct control is exercised by the Commanding General, North African Theatre of Operations. However, copies of all reports are furnished directly from Spain and Portugal to the North African Theatre of Operations as well as to London and Washington.



(c) Close coordination among the field offices in Spain and Portugal, Washington and the Commanding General North African The tre of Operations, is being maintained.



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